

THE FABLE OF HOW LANDLORDS BECAME VILLAINS

Once upon a time, not such a very long time ago, say in the 1920's, people knew many things and did many things.

Some people grew wheat so others could make flour for still others to make bread. Some mined coal or iron for big steel plants whose products were used to make autos and many other products.

Other people bought land to produce apartment houses and other buildings that were needed.

Then there were banks that lent money to the farmers, bakers, steel makers, home buyers and real estate developers.

Everybody knew that they must work and produce so that they and their family could have the bread, housing, automobiles and all the other things that they needed. If they did not work they would be unhappy.

There were even some who earned money in ways that other people scorned, such as prostitution.

But work they did, and think they did and they all knew that everybody must do their share of work if they wanted to share in the things that were produced.

Well, then something happened very strange. Some people, who were politicians, went to school and they learned to count. They counted the farmers and they were many. They counted the factory workers and not only were they many but they also had strong union leaders. Then they counted the bankers and found that they were few. But they thought a bit and realized that bankers were strong.

Then they counted the people who produced the apartment houses and found that they were very few so they realized that this was the group that could make the politician strong. They made speeches against these real estate owners and said that they were greedy. They said that they could be replaced. They would pass laws for the government to build apartments and give the tenants cheap rents.

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The newspaper reporters said this was great, (The reporters were tenants and so were their friends and families.) The reporters either did not know about economics and political corruption or did not want to. They wrote many, many, stories about greedy landlords. Soon the apartment house owners became unhappy. Their families became embarrassed at their occupation and they lost many of their friends.

Some of the owners got rid of their buildings and pursued other activities and vowed that they would never again take the risk of building and owning apartment houses.

Some apartment house owners became angry and fought with the politicians and the tenants. Little by little at first, and then very quickly, their earnings from their property diminished. At first they tried to save the buildings. They fixed up, painted up, and did everything to be good owners. The more they did, the more the politicians demanded.

Soon these owners saw that the situation was futile, so they stopped fixing up, painting up and replacing equipment. Then the politicians, reporters and tenants called the owners more bad names and made their lives miserable. So many owners sold their buildings to owners who really knew how to be miserable. The situation became worse and worse.

Many owners quit. They stopped paying taxes; the buildings became very bad, even though the buildings were better constructed than many new buildings built by the politicians!

The buildings were then abandoned and many apartment house neighborhoods looked worse than London and Rotterdam after they were attacked by World War II Buzz-Bombs.

All this happened at the same time that the baker raised the price of bread 1000 per cent, while the newspaper raised their prices 750 percent, while the post office raised the price of a stamp 500 per cent (while reducing mail deliveries to one-half!).

Oh, yes, the farmer sold his grain for more and more and his real estate investment in the farm increased from \$50 per acre to \$3,000 per acre.

Everybody called the real estate owner bad names.

The reporters started to say sympathetic things about the prostitutes, muggers and criminals. They said that we must look at the "root causes" of the crimes. But none of the reporters looked at the problems and "root causes" of the apartment house owners' "terrible anti-social behavior".

So now there are no apartment houses being built except when the government subsidizes them with low cost loans, tax credits, special real estate tax credit. So the city has lost its tax income from apartment houses and the city is in financial trouble.

Now, isn't this a silly story? Nobody will believe it. Surely not the reporters, surely not the politicians - surely, not the tenants.

And certainly not even the children who believed Hans Christian Anderson fairy tales have to have happy endings. I am sorry I can't think of one.

Moral: If you work real hard and give people something good - it can be bread, autos, grass, sex, entertainment, newspapers or even dishonest political promises; but never apartments!



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